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# Baraga Telephone Co.

March 6, 2014

**Via Electronic Comment Filing System**

Ms. Marlene H. Dortch  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: WC Docket No. 10-90 –Expression of Interest in Conducting Rural  
Broadband Experiment**

Dear Ms. Dortch:

Enclosed for electronic filing via the Electronic Comment Filing System (“ECFS”) in compliance with Federal Communications (“FCC”) Order, FCC 14-5, is the attached non-binding Expression of Interest (“EOI”) for Baraga Telephone Company, (“Baraga”) regarding the Connect America Phase II network experiments. Baraga appreciates the opportunity to file the non-binding EOI.

If you have any questions or concerns on the attached EOI, please contact me.

Respectfully Submitted,



Paul W. Stark  
President  
[pwstark@up.net](mailto:pwstark@up.net)  
(906) 353-6644

Attachments (Non-binding EOI)

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## **Non-Binding Expression of Interest – Phase II Rural Broadband Experiment**

Baraga Telephone Company, (“Baraga”) submits this Expression of Interest (“EOI”) for Connect America Phase II Rural Broadband Experiments per Federal Communications Commission (“FCC”) Order, FCC 14-5. This is stage 1 of the FCC’s Phase II experiment proposals and Baraga anxiously awaits release of the Stage 2 formal proposal requirements.

### **Background**

Baraga has a proven success rate of deploying rural high-speed last mile broadband networks. We have been in the telecommunications industry since 1908 deploying high quality voice as well as broadband services today. As a rural independent local exchange carrier, Baraga has Eligible Telecommunication Carrier (“ETC”) status in the following exchanges in the state of Michigan: Baraga, Tapiola, Alston, and L’Anse. Baraga has been and currently is a recipient of Universal Service Funding and has extensive experience with the requirements of filing required reports and maintaining support.

### **Proposed Service Area**

Baraga’s proposed service area is a rural area located on the peninsula of Michigan. It is near Keweenaw Bay and would have a portion of the service area in Keweenaw Bay Indian Community. The proposed service area covers the following census tract numbers which are located in Baraga and Houghton counties in Michigan: 26013000200, 26061000900, and 26061001000. Completion of the proposed project would represent an edge out from our current operations. Based on the Federal Communication Commissions (“FCC”) Public Notice, DA 14-154, report dated February 5, 2014 for price cap areas, the proposed project is estimated to provide broadband access to a total of 132 eligible high cost locations once completed, with 2 locations considered as extremely eligible high cost locations.

Baraga is unable to determine the total number of Community Anchor Institutions (“CAIs”) located within the proposed project since the eligible unserved high cost census blocks within the three selected census tracts have yet to be identified, however Baraga currently services many CAIs within its current exchange area and, if funded, could offer scalable high-speed broadband to CAIs located within the proposed service area.

### **Broadband Technology**

Baraga anticipates using Fiber-to-the-Curb (“FTTC”) for this proposed project area in order to build a high-speed, robust, scalable broadband network. The proposed area is adjacent to Baraga’s current service area and the network can be added on to provide service to the proposed area. The FTTC network architecture would

provide a robust, broadband networking solution that offers virtually unlimited bandwidth and the flexibility to meet the customer demand. FTTC technology will enable Baraga the ability to offer a variety of communications and entertainment services, including carrier-class telephony, high-speed Internet access, Voice over Internet Protocol (VoIP), and interactive, two-way broadband services. Baraga has extensive experience with building and maintaining an extensive fiber network.

### **Service Offerings**

The service offerings anticipated by Baraga are voice service and high-speed broadband service. Baraga estimates the project to be completed within 18 to 24 months of project award.

The following speed tiers and monthly pricing are expected to be available to all homes and businesses passed and can be increased over time as demand changes, including CAIs within the proposed project area:

- 8 MB Down/1 MB Up Residential or 2 MB Up Business = \$29.95
- 15 MB Down/1 MB Up Residential or 2 MB Up Business = \$49.95
- 20 MB Down/1 MB Up Residential or 2 MB Up Business = \$69.95
- Higher Broadband Speeds can be made available to CAIs that require higher bandwidth

Voice service is expected to be offered to Residential customers for \$26.50 per month and to Businesses for \$30.21 per month. Bundling of services will also be offered.

### **Funding**

Baraga is unable to determine the total cost of the proposed project since the eligible unserved high cost census blocks within the three selected census tracts have yet to be identified, however based on fiber network experience Baraga estimates this project to have a high level total cost estimate of around twenty-five million dollars. Baraga anticipates covering 20% of the total project cost and requesting government funding of around twenty million dollars. In order to get the project started, the requested funding amount will be one time support of around ten million dollars and the remaining ten million requested over a five year period. The funding request is due to the cost of building a robust, scalable, high-speed broadband and voice network in rural Michigan. Once the final rules and budget for the Rural CAF Experiment are released by the FCC, Baraga will better define the project and costs applicable should a formal proposal be submitted.

### **Conclusion**

Baraga appreciates the opportunity that the FCC is providing by allowing rural independent local exchange carriers to submit an Expression of Interest for the Rural CAF Experiment. As stated above, Baraga is considering a FTTC network build within three census tracts that are located in two counties in Michigan. By funding the proposed project, Baraga can reach out to neighboring areas that lack access to high-speed broadband capabilities in rural Michigan. The Baraga proposed fiber network would provide the residents, businesses, and CAI's with a high-speed, robust, scalable broadband networking solution that offers virtually unlimited bandwidth to areas that has been lacking service.

Baraga is committed to providing a solution to the challenges the residents and businesses have with the current lack of high quality and dependable high speed broadband. Baraga is an experienced, dedicated, and committed telecommunications provider. The experienced staff is extremely knowledgeable and holds the resources to complete the proposed overbuild and deliver advanced services to each person who lives and works within the proposed service area. The proposed project cannot be completed without FCC funding. Thank you for taking this proposed project into consideration as the final rules and budget are set for the available experiments.